

NOTE 21 – FUND BALANCES

A. Reservations - Primary Government

The line entitled "Reserved fund balance" on the Governmental Funds Balance Sheet at September 30 consists of the following (in millions):

	General Fund	School Aid Fund	Other Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total
Budgetary carry-forwards:						
Encumbrances	\$ 111.9	\$.1	\$ 91.4	\$ -	\$ 18.3	\$ 221.7
Restricted revenues	927.2	1.1	382.1	-	-	1,310.4
Multi-year projects (capital outlay and work projects)	124.0	3.1	269.0	-	17.1	413.3
Construction and debt service	-	-	45.3	33.2	-	78.5
Revolving loan programs	5.0	-	37.1	-	-	42.1
Funds held as permanent investments	-	-	112.9	-	399.7	512.6
Noncurrent assets	494.4	.7	30.9	-	-	525.9
Total Reserved Fund Balances	\$ 1,662.6	\$ 4.9	\$ 968.6	\$ 33.2	\$ 435.1	\$ 3,104.3

Budgetary carry-forwards represent unused spending authorization that continues to be available in the new year. Restricted revenue carry-forwards include revenues restricted by law for specified purposes. The largest restricted revenue carry-forwards in the General Fund are related to Medicaid Benefits Trust, \$301.7 million, and local government revenue sharing, \$197.0 million. The \$124.0 million of multi-year projects in the General Fund includes \$48.7 million of capital outlay and \$75.3 million of work project authorizations. Such amounts are reserved because the funds are legally segregated for a specific purpose.

Construction and debt service reserves represent amounts which are restricted for State Trunkline Fund's debt service and State Building Authority projects that are in process.

Reserves for revolving loan programs represent fund balance which has been appropriated for the purpose of making loans that will encourage economic development in the State. Repayments on such loans are authorized to be used to make new loans.

Funds held as permanent investments represent amounts that have been legally restricted for the purpose of providing a long-term source of investment income. These investments can include either specific investments held for the fund or portions of the fund's share of the Common Cash pool.

Reserves are recorded for noncurrent assets if they do not represent current financial resources available for appropriation. No reservation is recorded for noncurrent assets if doing so would result in a duplicate reduction of unreserved fund balance. This occurs if the noncurrent assets have already been reserved for some other reason or if they are related to revenues that have been deferred because of not being "available."

Also, no reservations of fund balances are recorded in single purpose special revenue and debt service funds. From the overall State perspective, the unreserved fund balances of funds other than the General Fund are restricted by the nature of the fund type and they are not available for general State purposes.

B. Net Asset Designations - Primary Government

The line "Unrestricted net assets" on the government-wide Statement of Net Assets contains designations as follows:

The State Sponsored Group Insurance Fund, an internal service fund described in Note 24, designated \$63.2 million for future catastrophic losses.